

ECONOMIC DEVELOPMENT REGION 6W: Upper Minnesota Valley

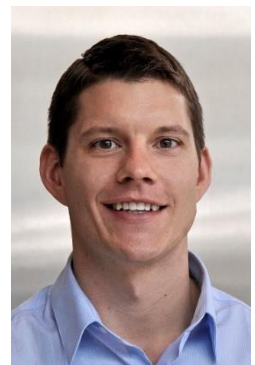
Covers counties:

Big Stone, Chippewa, Lac qui Parle, Swift, and Yellow Medicine

2023 REGIONAL PROFILE

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Luke Greiner
Regional Analyst, Central & Southwest Minnesota
Minnesota Department of Employment and Economic Development
Office: 320-223-6992
E-mail: luke.greiner@state.mn.us
Web: <http://mn.gov/deed/data/>



DEMOGRAPHICS

POPULATION CHANGE

Economic Development Region 6W – Upper Minnesota Valley includes a total of 5 counties, located in the larger 23-county Southwest Minnesota planning area. Region 6W was home to 43,358 people in 2022, comprising less than 1% of the state’s total population, making it the smallest of the 13 economic development regions (EDRs) in the state. Region 6W also saw a -4.1% population decline since 2010, which was the fastest decline of the EDRs as well. In comparison, the state of Minnesota saw a 7.8% gain from 2010 to 2022 (Table 1).

Table 1. Population Change 2010-2022

	2010 Population	2022 Estimates	2010-2022 Change	
			Number	Percent
Region 6W	45,190	43,358	-1,832	-4.1%
Big Stone Co.	5,269	5,144	-125	-2.4%
Chippewa Co.	12,441	12,284	-157	-1.3%
Lac qui Parle Co.	7,259	6,689	-570	-7.9%
Swift Co.	9,783	9,755	-28	-0.3%
Yellow Medicine Co.	10,438	9,486	-952	-9.1%
State of Minnesota	5,303,925	5,717,184	+413,259	+7.8%

Source: U.S. Census Bureau, Population Estimates

Every county in the region lost population, with Yellow Medicine County seeing the fastest population decline in the region and in the state. Big Stone County is now the fifth smallest county in the state, while Lac qui Parle is the 11th smallest, Yellow Medicine is 16th, Swift is 19th, and Chippewa County is the 26th smallest. These recent declines are part of a long-term trend in the region, which has been losing population since the 1950’s.

COMPONENTS OF POPULATION CHANGE

Region 6W experienced a negative natural increase – having more deaths than births – in the past two years. There were 1,289 deaths compared to 1,143 births, a gap of -146 people.

Table 2. Components of Population Change, 2020-2022

	Total Change	Natural Increase	Vital Events		Net Migration		
			Births	Deaths	Total	Inter-national	Domestic
Region 6W	-494	-146	1,143	1,289	-336	+121	-457
Minnesota	+10,680	+26,917	144,350	117,433	-17,365	+20,012	-37,377

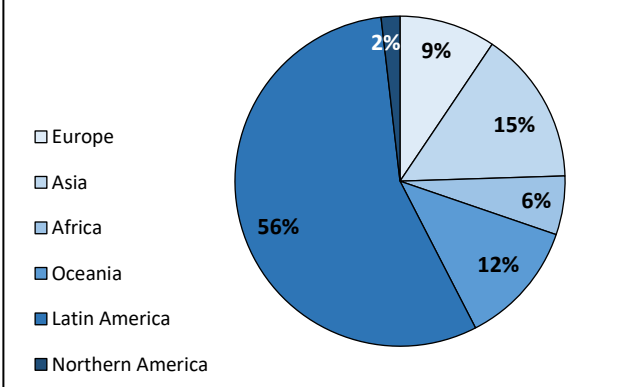
Source: U.S. Census Bureau, Population Estimates Program

The region also lost population because of out-migration, with an estimated 336 more people moving out of the region than moving in, though the region did enjoy positive in-migration of an estimated 121 additional residents from international sources (Table 2).

With the recent international in-migration, Region 6W is now home to over 1,600 foreign born residents, or about 3.7% of the total population. The number of immigrants in the region increased by 94% since 2010, outpacing the statewide growth rate of 31%. Over half of the immigrants in the region (940 people) were from Latin America, while the second largest number were from Asia, accounting for 15.1% of immigrants in the region. The fastest growing wave of new immigrants came from Oceania, rising by more than 890% percent from 2010 to 2021, but the largest numbers are still coming from Latin America (see Figure 1).

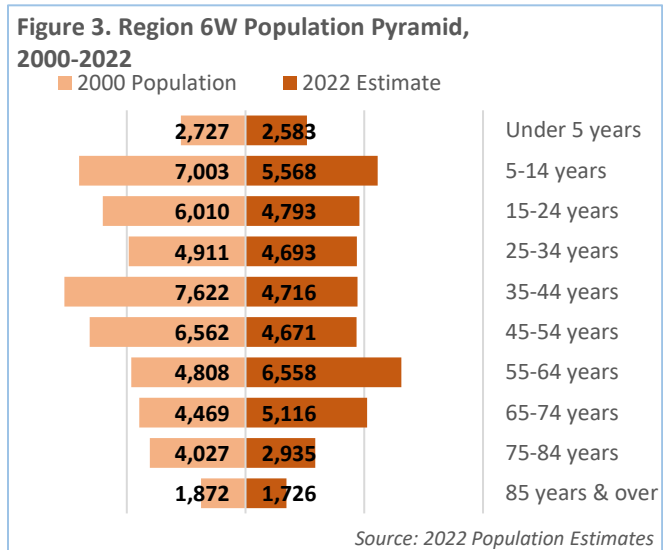
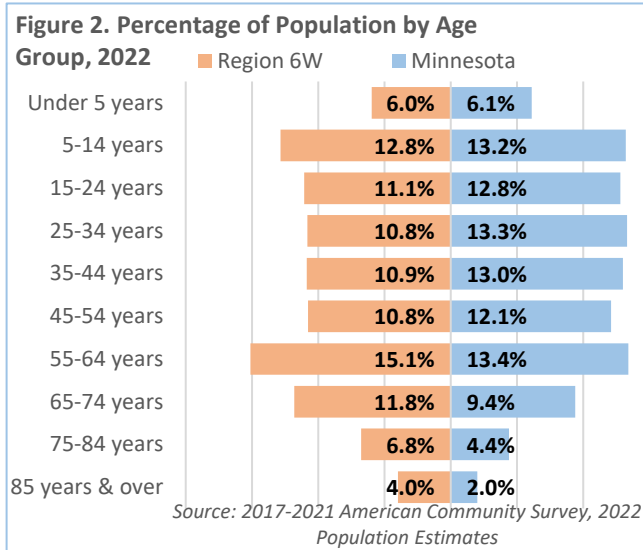
By year of entry, foreign-born residents in Region 6W were newer than in the rest of the state, with more than 41% entering the U.S. since 2010, and another 28% since 2000, or 69% total since 2000, compared to 56% statewide. Only 26% were naturalized citizens in 2021, compared to 56% statewide.

Figure 1. Region 6W Place of Birth for the Foreign Born Population, 2021



POPULATION BY AGE GROUP

Region 6W has a much older population than the rest of the state, with 23% of residents aged 65 years and over, compared to 16% statewide. Consequently, Region 6W had a lower percentage of people in the 25- to 54-year-old age group, typically considered the “prime working years”, but a similar share of school-aged children compared to the state (Figure 2).

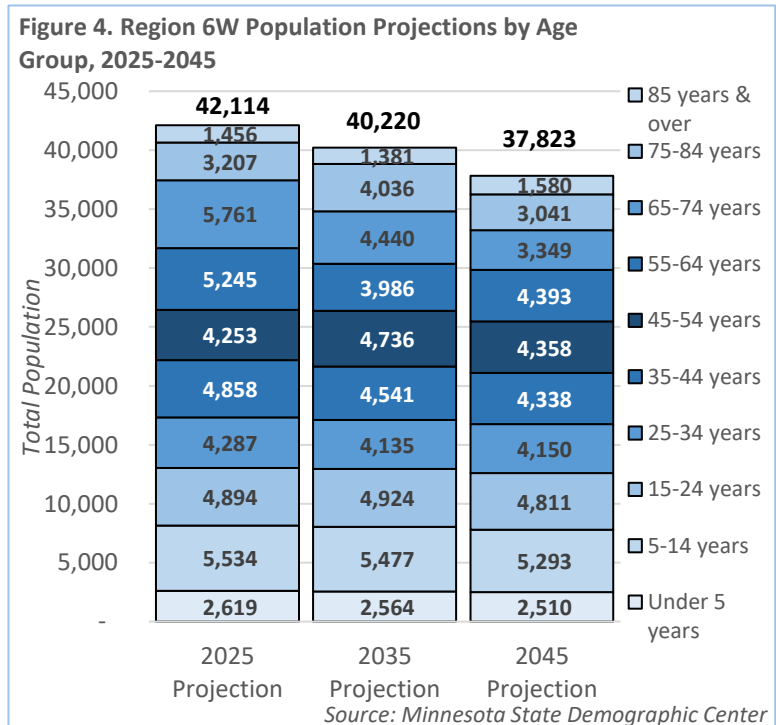


A large portion of the region’s population is a part of the Baby Boom generation (people born between 1946 and 1964) which is creating a significant shift in the population over time. While the number of younger and middle-aged residents was declining, the number of residents aged 55 years and over was mostly increasing. This included a huge jump in the number of people from 55 to 74 years of age, and a lower number of people aged 75 years and over, as some senior citizens are choosing to leave the region for various reasons (Figure 3).

POPULATION PROJECTIONS BY AGE GROUP

Region 6W is projected to experience continued declines in the next 20 years. According to population projections from the [Minnesota State Demographic Center](#), Region 6W is expected to lose 4,291 residents from 2025 to 2045, a substantial 10.2% decrease (see Figure 4). In comparison, the state of Minnesota is projected to grow 7.4%.

Most notably, Region 6W is projected to lose more than 3,250 people aged 55 to 74 years and over, a 30% decrease. The only age groups expected to grow are 45-54, and 85 years and older, but by just 229 people, not nearly enough to offset substantial losses in every other age cohort. The region is expected to have roughly 433 fewer people younger than 25 as well.



POPULATION BY RACE

Region 6W’s population is less racially diverse than the state’s, but is becoming more diverse over time. In 2021, 92% of the region’s residents reported white alone as their race, compared to 80.7% of residents statewide. The region had much smaller percentages of Black or African Americans, Asian or Other Pacific Islanders, and people of Two or More Races. However at 1.1%, Region 6W had a similar percentage of American Indians, and a slightly higher percentage of people of Some Other Race and a slightly lower percentage of those reporting Hispanic or Latino origin than the state (Table 3).

With almost 2,300 people, the largest ethnic group is Hispanic or Latino, which also added the largest number of residents in the previous ten years. The fastest decline was from Black or African Americans, which decreased by -11.8% from 2011 to 2021.

Table 3. Race and Hispanic Origin, 2021	Region 6W				Minnesota	
	Number	Percent	Change from 2011-2021 Numeric Percent		Percent	Change from 2011-2021
Total	43,843	100.0%	-1,433	-3.2%	100.0%	+7.4%
White	40,339	92.0%	-2,956	-6.8%	80.7%	+0.4%
Black or African American	381	0.9%	-51	-11.8%	6.6%	+42.2%
American Indian & Alaska Native	502	1.1%	+96	+23.6%	0.9%	-8.0%
Asian & Other Pac. Islander	584	1.3%	+413	+241.5%	5.0%	+35.8%
Some Other Race	1,154	2.6%	+663	+135.0%	2.1%	+66.5%
Two or More Races	883	2.0%	+402	+83.6%	4.6%	+121.8%
Hispanic or Latino origin	2,290	5.2%	+847	+58.7%	5.6%	+31.6%

Source: U.S. Census Bureau, 2021 American Community Survey

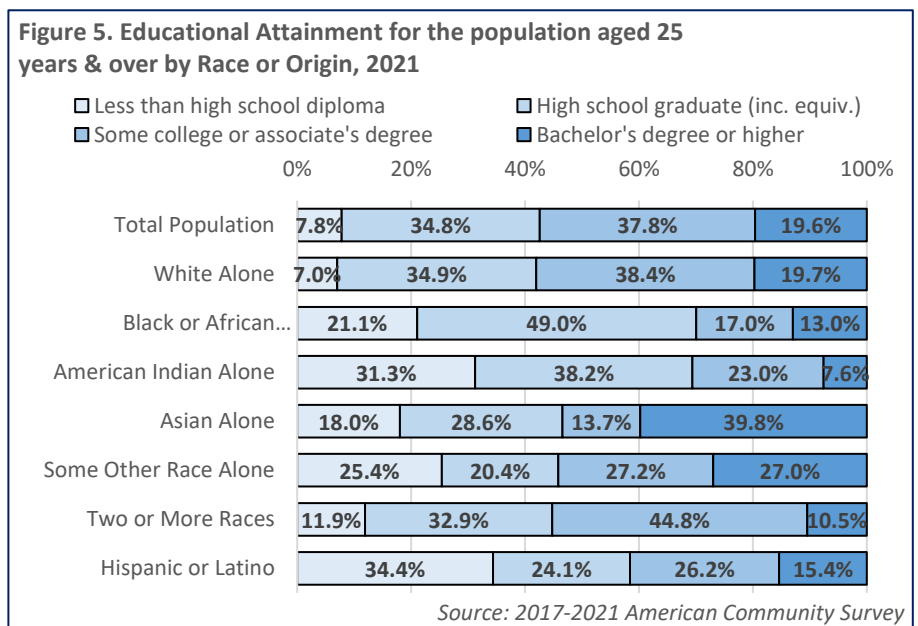
EDUCATIONAL ATTAINMENT

With 34% of adults aged 18 years and over having a college degree, Region 6W has lower educational attainment than the state, where 46% of adults have an associate, bachelor’s, or advanced degree. In contrast, Region 6W has a slightly higher percentage of people with some college but no degree or associate’s degrees, and a much higher percentage of people with a high school diploma or less (Table 4).

Table 4. Educational Attainment for the Adult Population, 2021	Region 6W		Minnesota
	Number	Percent	Percent
Total Population, 18 years & over	33,882	100.0%	100.0%
Less than high school	2,903	8.6%	7.1%
High school graduate (incl. equiv.)	11,590	34.2%	24.5%
Some college, no degree	7,916	23.4%	22.4%
Associate's degree	4,900	14.5%	11.1%
Bachelor's degree	4,865	14.4%	23.3%
Advanced degree	1,708	5.0%	11.6%

Source: U.S. Census Bureau, 2017-2021 American Community Survey

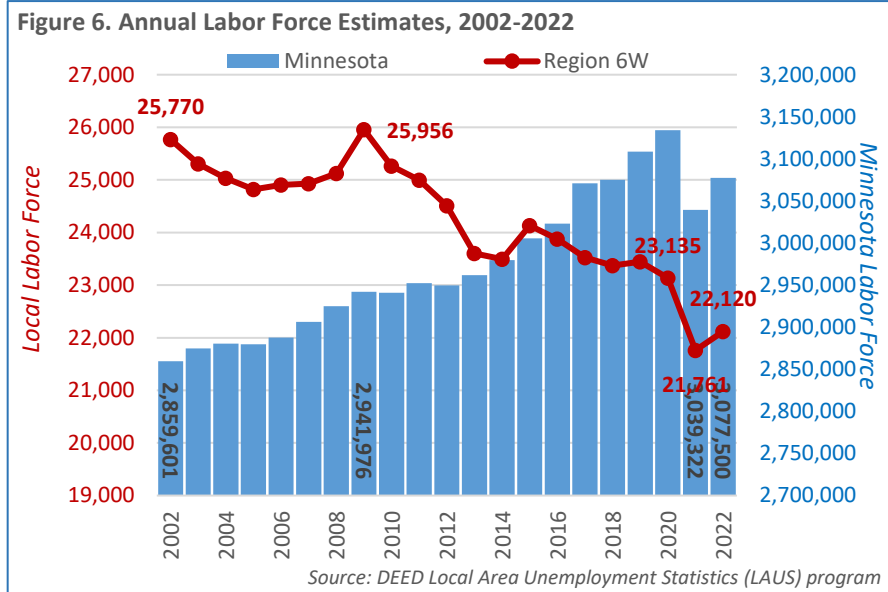
Educational attainment varies significantly by race and ethnicity in Region 6W. Roughly 34% of Hispanic or Latino residents, 31% of American Indians, 25% of people of Some Other Race, and 18% of Asians had less than a high school diploma, compared to 7% of white residents. Over 58% of white adults had attended some college or earned a degree, compared to 44% percent of adults of other races or ethnicity, with the lowest higher education displayed for Blacks or African Americans (Figure 5).



LABOR FORCE

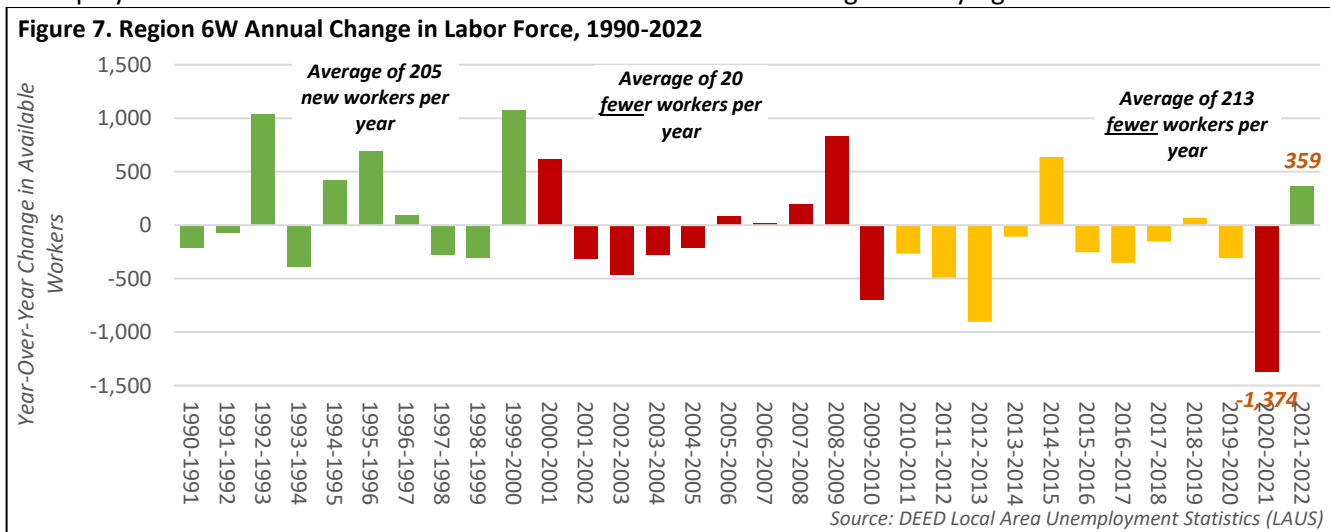
LABOR FORCE CHANGE

According to data from DEED’s [Local Area Unemployment Statistics](#) program, Region 6W had an average labor force count of 22,120 workers in 2022. The regional labor force has mostly trended downward over the past 20 years, and ended 2022 with about 2,800 fewer workers than it had in 2007. Pandemic-related factors pushed many workers out of the labor force across the state, and Region 6W followed suit. Unfortunately years of labor force decline make the recent shift particularly challenging for employers (Figure 6).



Region 6W saw a slow but steady decline in workers from 2000 to 2007, then added over 1,000 workers during the Great Recession as people flooded into the labor market to earn extra income. As the economy recovered, people began dropping out again until a brief surge in 2014, then the region resumed further declines. These labor force constraints will have a substantial impact on the regional economy.

Averaging a net gain of 205 additional labor force participants per year between 1990 and 2000, employers in Region 6W were able to tap into a growing pool of talented workers. With recent declines, the region actually averaged a loss of about 210 fewer workers per year between 2010 to 2020 (Figure 7). Increasingly tight labor markets and a growing scarcity of workers is now recognized as one of the most significant barriers to future economic growth in Southwest Minnesota. However, the labor market shift in 2020 from the economic shock of the COVID-19 pandemic meant that for a brief time there were record numbers of unemployed workers. But that quickly changed to a record low number of unemployed workers in 2022. The small number of unemployed workers combined with labor force losses are contributing to a very tight labor market.



LABOR FORCE PROJECTIONS, 2025-2035

If Region 6W’s population changes at the projected rates shown in Figure 4 above, the region would be expected to see a further decline in the labor force over the next decade. Applying current labor force participation rates to future population projections by age group creates labor force projections for the region, which show a further -5.9% drop in workforce numbers. Due to the loss of Baby Boomers into retirement, the 55-64 year old age group will make up about 16% of the total workforce in 2035, down from 29% in 2025.

	2025 Labor Force Projection	2035 Labor Force Projection	2025-2035 Change	
			Numeric	Percent
16 to 19 years	1,057	1,014	-43	-4.1%
20 to 24 years	1,716	1,837	+121	+7.1%
25 to 44 years	7,736	7,340	-397	-5.1%
45 to 54 years	3,594	4,002	+408	+11.4%
55 to 64 years	3,898	2,962	-936	-24.0%
65 to 74 years	1,732	1,335	-397	-22.9%
75 years & over	379	440	+61	+16.2%
Total Labor Force	20,112	18,930	-1,182	-5.9%

Source: calculated from MN State Demographic Center projections, and 2017-2021 American Community Survey 5-Year Estimates.

EMPLOYMENT CHARACTERISTICS

With 62.1% of the working age population aged 16 years and over in the labor force, Region 6W had lower labor force participation rates than the state’s 69.2% rate. However, the region actually had higher labor force participation rates than the state in about half of the age groups, but the overall rate was lower because of the region’s older population (Table 6).

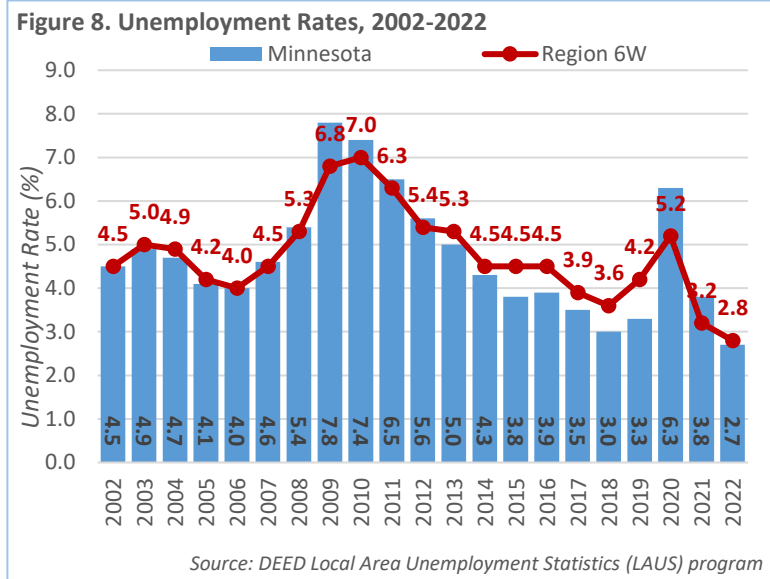
In contrast, the region had lower participation rates than the state for every race group except for people of Two or More Races. Participation and unemployment rate accuracy for racial categories are limited by small a sample size, but show some disparities that could help fill labor market needs.

	Region 6W			Minnesota		Percent of Total Labor Force	
	In Labor Force	Labor Force Partic. Rate	Unemp. Rate	Labor Force Partic. Rate	Unemp. Rate	Region 6W	Minnesota
Total Labor Force	21,807	62.1%	3.7%	69.2%	4.0%		
16 to 19 years	928	46.7%	12.7%	52.3%	10.7%	4.3%	4.9%
20 to 24 years	1,972	83.1%	5.9%	83.3%	6.7%	9.0%	9.5%
25 to 44 years	8,048	84.6%	3.1%	88.8%	3.6%	36.9%	42.6%
45 to 54 years	3,991	84.5%	2.9%	87.6%	3.0%	18.3%	19.4%
55 to 64 years	4,928	74.3%	3.4%	73.1%	3.2%	22.6%	17.9%
65 to 74 years	1,555	30.1%	1.9%	28.0%	3.2%	7.1%	4.8%
75 years & over	383	8.1%	2.1%	6.6%	2.9%	1.8%	0.8%
Employment Characteristics by Race & Hispanic Origin							
White alone	20,355	62.1%	3.6%	68.5%	3.4%	93.3%	82.6%
Black or African American	104	39.7%	N/D	71.9%	8.6%	0.5%	6.0%
American Indian & Alaska Native	162	42.2%	1.9%	57.4%	12.9%	0.7%	0.7%
Asian or Other Pac. Islanders	259	56.0%	N/D	72.7%	4.1%	1.2%	5.0%
Some Other Race	505	73.2%	10.9%	75.8%	6.2%	2.3%	2.1%
Two or More Races	428	76.0%	4.9%	74.1%	7.3%	2.0%	3.5%
Hispanic or Latino	1,058	73.2%	14.0%	77.0%	6.6%	4.9%	5.2%
Employment Characteristics by Veteran Status							
Veterans, 18 to 64 years	623	75.1%	3.0%	80.6%	3.9%	3.2%	3.6%
Employment Characteristics by Disability							
With Any Disability, 20 to 64 years	1,090	47.8%	5.0%	53.6%	9.9%	5.8%	5.7%
Employment Characteristics by Educational Attainment							
Population, 25 to 64 years	16,966	81.3%	3.2%	84.4%	3.4%	77.8%	79.9%
Less than H.S. Diploma	933	64.6%	2.7%	66.6%	4.6%	5.5%	4.7%
H.S. Diploma or Equivalent	4,576	73.8%	0.8%	77.3%	2.5%	27.0%	19.4%
Some College or Assoc. Degree	7,553	86.1%	2.9%	85.1%	3.6%	44.5%	33.3%
Bachelor's Degree or Higher	3,903	87.8%	2.0%	90.3%	2.1%	23.0%	42.6%

Source: 2017-2021 American Community Survey, 5-Year Estimates

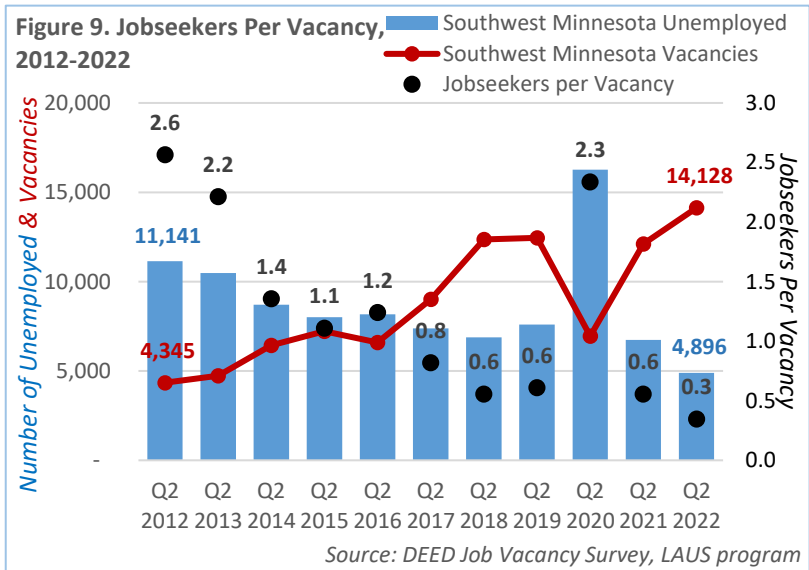
UNEMPLOYMENT RATE

Region 6W has consistently reported unemployment rates that closely match the state rate. According to [Local Area Unemployment Statistics](#), the region’s unemployment rate hovered right in line with the state rate from 2002 to 2012, even dropping below the state rate during the recession in 2009 and 2010. Region 6W managed to maintain a lower rate of unemployment in 2020 due to the area’s decreased reliance on the Leisure & Hospitality sectors, however, while the state’s economy has recovered and unemployment rates are back to prerecession levels, Region 6W’s rate climbed higher in 2022 (see Figure 8).



JOBSEEKERS PER VACANCY

As the number of available workers has declined, the region’s labor market has tightened. One clear demonstration of this is the ratio of unemployed jobseekers per vacancy, which stood at 0.3-to-1 in Southwest Minnesota by the end of 2022. The decreasing numbers of unemployed workers who are seeking employment matched with record numbers of job openings means that employers are struggling to find new workers (see Figure 9).



According to recent Job Vacancy Survey results, there were 14,128 openings reported by employers in the 23-county Southwest planning region, compared to 4,896 unemployed jobseekers in the region. In contrast, the ratio climbed well above 3-to-1 in the depths of the recession in 2009 and into 2011.

COMMUTE SHED AND LABOR SHED

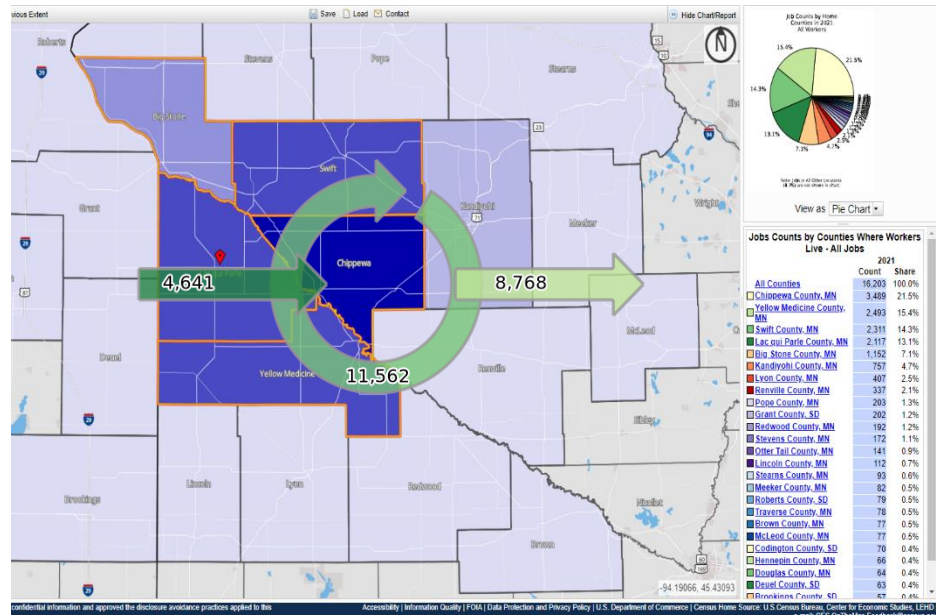
According to commuting data from the [Census Bureau](#), Region 6W is a net labor exporter, having more workers than available jobs. In sum, 11,562 workers both lived and worked in Region 6W in 2021, while another 4,641 workers drove into the region from surrounding counties for work, compared to 8,768 workers who lived in the region but drove elsewhere for work (see Table 7 and Figure 10).

	2021	
	Count	Share
Employed in the Selection Area	16,203	100.0%
Employed in the Selection Area but Living Outside	4,641	28.6%
Employed and Living in the Selection Area	11,562	71.4%
Living in the Selection Area	20,330	100.0%
Living in the Selection Area but Employed Outside	8,768	43.1%
Living and Employed in the Selection Area	11,562	56.9%

Source: U.S. Census Bureau, OnTheMap

Home to Montevideo, Chippewa County is the largest employment center in the region and was the biggest draw for workers, followed by Granite Falls and Canby in Yellow Medicine, Benson in Swift, and Dawson in Lac qui Parle County. Employers in the region both lose and draw workers from nearby regional centers like Willmar in Kandiyohi County, Marshall in Lyon County, and Redwood Falls in Redwood County, as well as Olivia in Renville County and Morris in Stevens County.

Figure 10. Region 6W Labor and Commute Shed, 2021

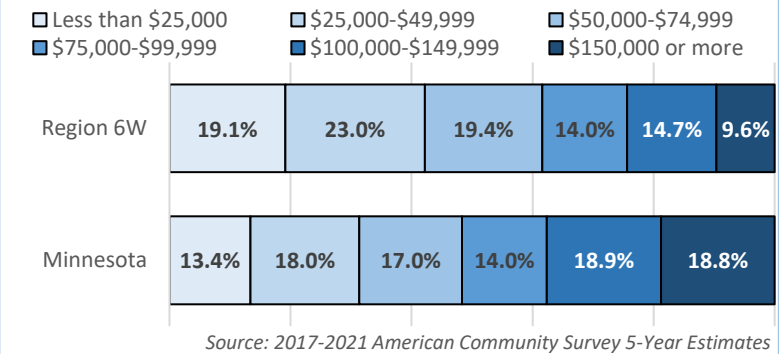


INCOMES, WAGES AND OCCUPATIONS

HOUSEHOLD INCOMES

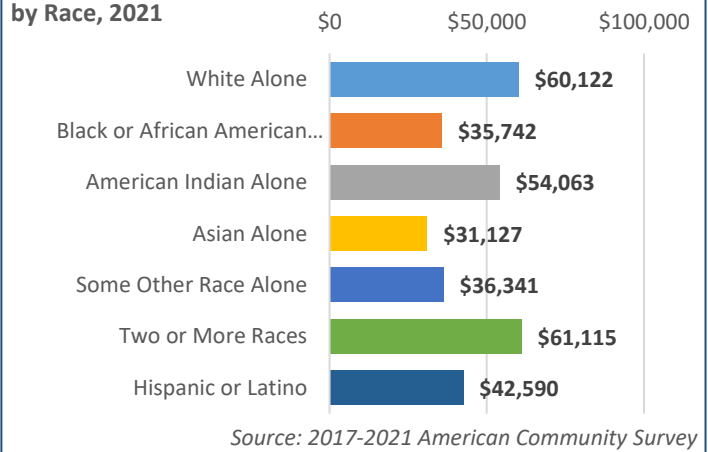
Household incomes were significantly lower in Region 6W than the rest of the state. The median household income in Region 6W was \$59,232 in 2021, compared to \$77,706 in Minnesota. About 42% of the households in the region had incomes below \$50,000 in 2021, compared to 31% statewide. Another 33% of households earned between \$50,000 and \$100,000 in the region, compared to 31% statewide. At the high end, only 24% of households in Region 6W earned over \$100,000 per year, compared to 38% of households statewide (see Figure 11).

Figure 11. Household Incomes, 2021



Like educational attainment and employment, median household incomes varied by race or origin in the region. Black and Asian households reported the lowest incomes in Region 6W, with a median income that was at least \$20,000 lower than typical in the region. However, the sample sizes for these groups was small with large margins of error, so the large disparities could very well be less than most recent estimates. People of Two or More Races are estimated to have higher incomes than white residents, and unlike the rest of the state, American Indians have income levels closest to the white population (see Figure 12).

Figure 12. Region 6W Median Household Income by Race, 2021



COST OF LIVING

According to DEED’s [Cost of Living tool](#), the basic needs budget for an average Minnesota family (which consists of 2 adults and 1 child, with 1 full-time and 1 part-time worker) was \$60,720 in 2022. The cost of living for a similar family in Region 6W was \$46,308 – which was the second lowest of the 13 economic development regions in the state. The highest monthly costs were for transportation, food, and housing; though the region’s housing, child care and taxes costs were significantly lower than the rest of the state. In order to meet the basic cost of living for the region, the workers in the family scenario described would need to earn \$14.84 per hour over the course of 60 hours per work week.

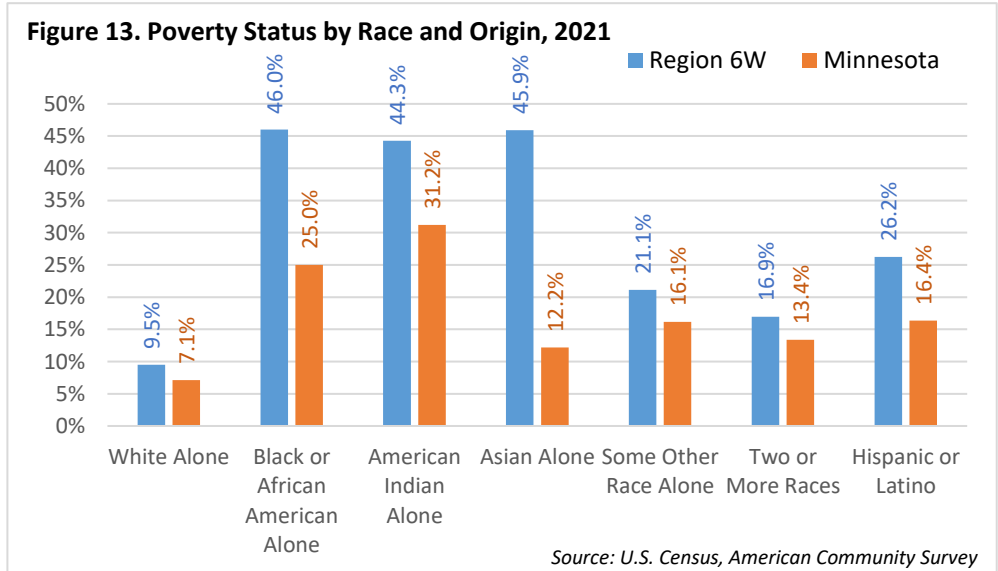
DEED’s Cost of Living tool provides different estimates for household compositions including single people, partnered couples, and up to 4 children. For a single person living alone and working full-time, the estimated yearly cost in Region 6W would be \$28,344, which would require an hourly wage of \$13.63 to meet the basic needs standard of living (Table 8). That was also the second lowest cost of living in the state.

Table 8. Region 6W Cost of Living, 2022										
Family Composition	Number of Workers	Yearly Cost of Living	Hourly Wage Required	Monthly Costs						
				Child Care	Food	Health Care	Housing	Transportation	Other	Taxes
Region 6W										
Single, 0 children	1 FT	\$28,344	\$13.63	\$0	\$402	\$162	\$595	\$763	\$241	\$199
Single, 1 child	1 FT	\$41,316	\$19.86	\$434	\$593	\$446	\$790	\$768	\$335	\$77
2 parents, 1 child	1 FT, 1 PT	\$46,308	\$14.84	\$217	\$917	\$525	\$790	\$891	\$413	\$106
2 parents, 2 children	2 FT	\$60,132	\$14.45	\$670	\$1,196	\$536	\$1,026	\$940	\$538	\$105
State of Minnesota										
Single, 0 children	1 FT	\$34,992	\$16.82	\$0	\$403	\$159	\$961	\$760	\$330	\$303
2 parents, 1 child	1 FT, 1 PT	\$60,720	\$19.46	\$574	\$921	\$555	\$1,216	\$886	\$517	\$391

Source: DEED Cost of Living tool

Overall, Region 6W’s poverty rate was 10.9%, which was above the state rate of 9.2%. Like incomes, poverty levels varied widely by race and origin but also suffers from reliability issues due to small sample sizes for Asians, Black or African Americans, and Two or More Races. It was estimated that at least 17% of every other race group was below the poverty level in 2020,

compared to 9.5% of whites. Over 40% of American Indian, Black or African Americans, and Asian residents were below the poverty level, which was well above state levels. However, 81% of people living in poverty in Region 6W are white, amounting to 3,767 residents. In all cases, the region’s rate was above the state, due to lower household incomes (Figure 13).



WAGES AND OCCUPATIONS

According to DEED's [Occupational Employment & Wage Statistics](#) program, the median hourly wage for all occupations in Region 6W was \$20.82, which was the second lowest median wage level of the 13 EDRs in the state. Region 6W's median wage was \$3.05 below the state's median hourly wage, and \$4.47 below the median hourly wage in the 7-County Twin Cities metro area, which would amount to roughly \$9,300 per year for a full-time worker. Region 6W had lower wages than the surrounding regions, including Region 8 at \$21.23 and Region 4 at \$21.88 (see Table 9).

The largest occupation group in the region was Office & Administrative Support, accounting for 11.2% of all jobs in the region. In contrast the most concentrated occupational categories are Farming and Installation, Maintenance & Repair occupations with location quotients of 2.6 and 1.5, respectively (see Table 10).

Not surprisingly, the lowest-paying jobs are in Food Preparation & Serving, Personal Care & Service, Healthcare Support, Sales & Related, and Building & Grounds Cleaning & Maintenance jobs, which tend to have more employment in entry-level occupations. For the most part, the gap in pay between Region 6W and the state is also lower in these jobs (see Table 10).

	Median Hourly Wage	Estimated Regional Employment
EDR 1 - Northwest	\$22.83	35,000
EDR 2 - Headwaters	\$21.90	31,370
EDR 3 - Arrowhead	\$22.57	136,490
EDR 4 - West Central	\$21.88	87,550
EDR 5 - North Central	\$19.98	62,060
EDR 6E - Southwest Central	\$21.20	49,510
EDR 6W - Upper MN Valley	\$20.82	16,160
EDR 7E - East Central	\$22.48	48,210
EDR 7W - Central	\$23.10	172,540
EDR 8 - Southwest	\$21.23	51,900
EDR 9 - South Central	\$22.61	99,520
EDR 10 - Southeast	\$23.44	236,590
EDR 11 - 7-County Twin Cities	\$25.67	1,718,290
State of Minnesota	\$24.25	2,827,310

Source: DEED Occupational Employment & Wage Statistics

	Region 6W				State of Minnesota		
	Median Hourly Wage	Estimated Regional Employment	Share of Total Employment	Location Quotient	Median Hourly Wage	Estimated Statewide Employment	Share of Total Employment
Total, All Occupations	\$20.82	16,160	100.0%	1.0	\$24.25	2,827,310	100.0%
Management	\$39.61	930	5.8%	0.8	\$51.58	193,760	6.9%
Business & Financial Operations	\$30.40	460	2.8%	0.4	\$38.19	201,940	7.1%
Computer & Mathematical	\$33.07	70	0.4%	0.1	\$49.73	99,250	3.5%
Architecture & Engineering	\$37.83	130	0.8%	0.4	\$40.60	53,100	1.9%
Life, Physical & Social Science	\$28.14	130	0.8%	0.8	\$39.37	29,070	1.0%
Community & Social Service	\$23.36	340	2.1%	1.1	\$25.82	54,820	1.9%
Legal	\$30.60	30	0.2%	0.3	\$47.87	18,730	0.7%
Education, Training & Library	\$23.38	1,310	8.1%	1.4	\$24.82	158,830	5.6%
Arts, Design, Entertainment & Media	\$19.57	130	0.8%	0.6	\$28.80	37,630	1.3%
Healthcare Practitioners & Technical	\$34.77	1,080	6.7%	1.0	\$41.07	186,700	6.6%
Healthcare Support	\$17.51	1,180	7.3%	1.3	\$17.40	162,400	5.7%
Protective Service	\$23.39	260	1.6%	1.1	\$25.83	40,620	1.4%
Food Preparation & Serving Related	\$14.34	1,290	8.0%	1.0	\$14.89	216,970	7.7%
Building, Grounds Cleaning & Maint.	\$17.71	570	3.5%	1.3	\$18.26	76,210	2.7%
Personal Care & Service	\$15.88	360	2.2%	1.1	\$16.96	58,120	2.1%
Sales & Related	\$15.61	1,330	8.2%	1.0	\$18.14	239,500	8.5%
Office & Administrative Support	\$20.52	1,810	11.2%	0.9	\$23.06	345,830	12.2%
Farming, Fishing & Forestry	\$19.79	60	0.4%	2.6	\$19.84	4,060	0.1%
Construction & Extraction	\$25.03	790	4.9%	1.2	\$31.00	113,930	4.0%
Installation, Maintenance & Repair	\$24.42	820	5.1%	1.5	\$27.95	98,670	3.5%
Production	\$19.08	1,530	9.5%	1.3	\$22.07	209,380	7.4%
Transportation & Material Moving	\$20.95	1,530	9.5%	1.2	\$21.05	227,780	8.1%

Source: DEED Occupational Employment & Wage Statistics

In contrast, the highest paying jobs are found in Management, Architecture & Engineering, Healthcare Practitioners, Computer & Mathematical, and Legal occupations, most of which typically require higher levels of education and experience, including many that require bachelor's degrees or higher. The pay gaps between the region and state are much bigger in these occupations.

JOB VACANCY SURVEY

After reaching a record high in the 4th quarter of 2021, the number of job vacancies dropped in the second quarter of 2022. Employers in Southwest Minnesota reported 14,128 job vacancies in the second quarter of 2022, which was up 2,012 openings compared to the past year. The median hourly wage offer was \$16.55 across all occupations but ranged from a low of around \$12.78 per hour for Personal Care & Service occupations, to about \$31.75 per hour or more for Computer & Mathematical occupations. The median wage offer increased from second quarter 2021 by \$1.53, showing that employers are raising wages to attract more candidates.

The largest number of vacancies were in Food Preparation & Serving Related occupations. There were also a lot of openings in Production, Sales, and Healthcare Support occupations. The number of vacancies dropped for Business & Financial Operations, Arts, Design, Entertainment, Sports, & Media, Healthcare Support, Personal Care & Service, and Transportation and Material Moving Occupations compared to 2021 quarter 2. Overall, about two out of five openings were part-time, 31% required postsecondary education, and 32% required a year or more of experience (Table 11). In sum, educational requirements in the region had been stable or declining over the past 5 years, while work experience requirements were rising.

Table 11. Southwest Minnesota Job Vacancy Survey Results, 2022

	Number of Total Vacancies	Median Hourly Wage Offer	Percent Part-time	Requiring Post-Secondary Education	Requiring 1 or More Years of Work Exp.	Requiring Certificate or License	Job Vacancy Rate
Total, All Occupations	14,128	\$16.55	42%	31%	32%	37%	8.4%
Management	430	\$27.04	28%	68%	77%	55%	4.9%
Business & Financial Operations	151	\$24.64	1%	72%	80%	35%	2.4%
Computer & Mathematical	99	\$31.77	0%	70%	90%	40%	5.9%
Architecture & Engineering	130	\$27.09	1%	94%	78%	47%	5.7%
Life, Physical & Social Sciences	69	\$20.91	1%	42%	84%	50%	4.6%
Community & Social Service	159	\$25.21	3%	95%	77%	77%	4.5%
Legal	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
Education, Training & Library	731	\$17.88	34%	86%	92%	80%	6.7%
Arts, Design, Entertainment & Media	183	\$13.88	36%	19%	59%	12%	12.0%
Healthcare Practitioners & Technical	1,252	\$25.17	32%	88%	47%	88%	13.1%
Healthcare Support	1,290	\$14.92	52%	51%	18%	62%	12.9%
Protective Service	142	\$19.76	43%	68%	78%	93%	6.0%
Food Preparation & Serving Related	2,626	\$13.56	77%	5%	11%	6%	20.2%
Building, Grounds Cleaning & Maint.	379	\$15.50	40%	1%	14%	31%	7.7%
Personal Care & Service	135	\$12.78	80%	5%	9%	14%	4.4%
Sales & Related	1,467	\$14.33	59%	5%	18%	30%	9.6%
Office & Administrative Support	766	\$14.07	71%	11%	38%	8%	4.0%
Construction & Extraction	165	\$17.90	0%	12%	38%	27%	2.3%
Installation, Maintenance & Repair	554	\$22.90	11%	39%	45%	55%	7.2%
Production	1,782	\$18.26	9%	12%	19%	4%	9.3%
Transportation & Material Moving	786	\$17.46	44%	1%	24%	55%	5.2%

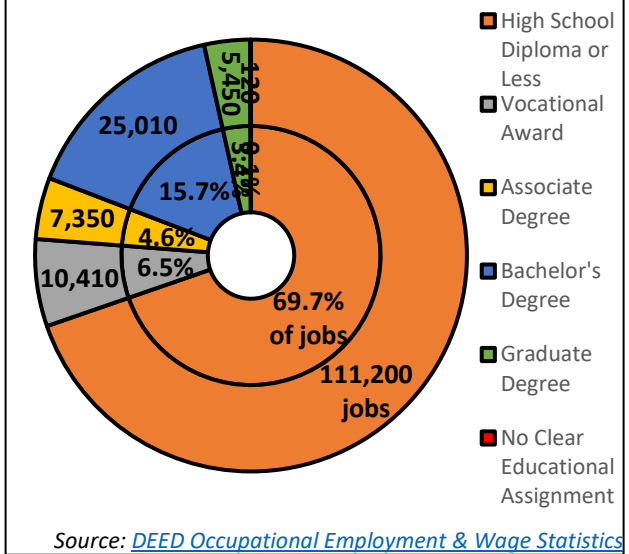
Source: DEED Job Vacancy Survey, 2022

EDUCATIONAL REQUIREMENTS

Similar to Job Vacancy Survey results, data from DEED’s Occupational Employment & Wage Statistics program shows that roughly 30% of jobs in the region require postsecondary education for entry. The other 70% can be started with a high school diploma or less and some amount of on-the-job training (see Figure 14).

Certain careers – such as Dentists, Lawyers, and Teachers – require a college education, while other jobs – including Cost Estimators, Sales Representatives, and Correctional Officers – do not. College is an excellent way to move up career ladders and open windows of opportunity to fields that would otherwise be closed, such as Nursing or Engineering. Many of these occupations offer high wages and are in high demand in the marketplace. While education is typically a worthwhile investment, college can be expensive – with average annual expenses ranging between \$20,500 and almost \$53,000 per year in Minnesota. For those who go to college, choice of major matters – different programs lead to different jobs that earn different amounts of money.

Figure 14. Southwest Minnesota Share of Jobs by Educational Requirements, 2022



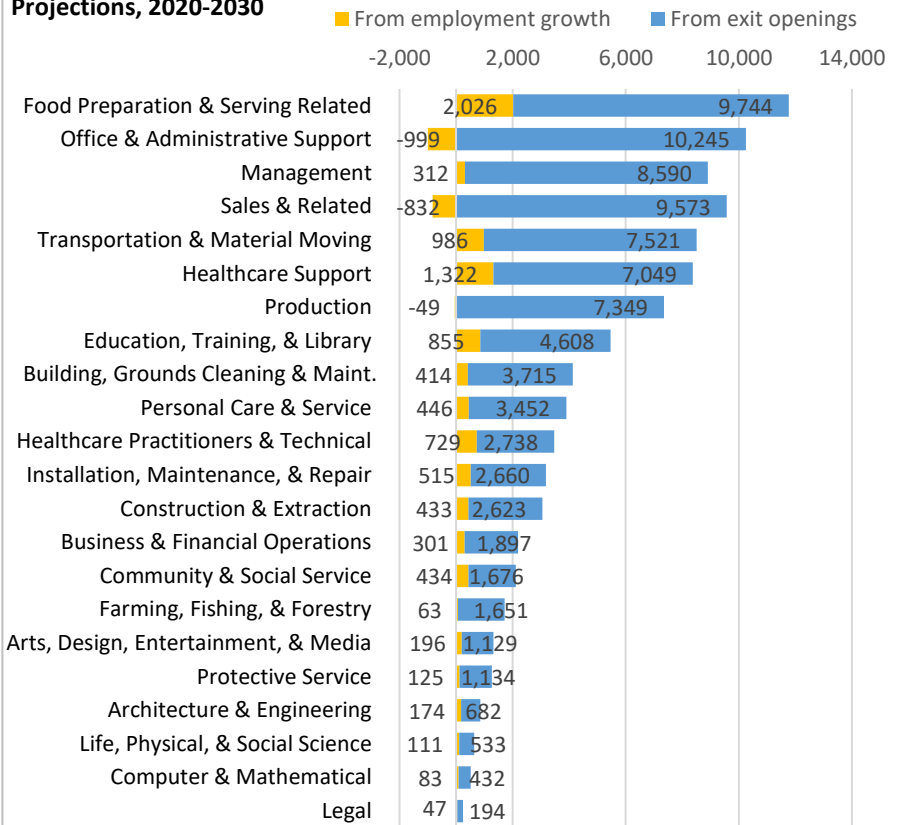
Source: DEED Occupational Employment & Wage Statistics

EMPLOYMENT PROJECTIONS

Overall, the 23-county Southwest Minnesota planning area is projected to grow 3.9% from 2020 to 2030, a gain of 7,692 new jobs. That is the slowest of the 6 planning regions in the state. In addition, the region is also expected to need 89,195 replacement openings to fill jobs left vacant by retirements.

Food Prep & Serving, Healthcare Support, Transportation & Material Moving, and Education, Training & Library occupations are expected to see the most new growth – some attributable to the continuing pandemic recovery, the rest due to future growth – but every occupational group will show some future demand either through new jobs or replacement openings. This includes big gains for Office & Administrative Support, Sales & Related, Management, Transportation, Healthcare, and Production occupations (Figure 15).

Figure 15. Southwest Minnesota Regional Employment Projections, 2020-2030



Source: DEED 2020-2030 Employment Outlook

OCCUPATIONS IN DEMAND

According to DEED's [Occupations in Demand](#) tool, there are well over 200 occupations showing relatively high demand in the region, with training and education requirements ranging from short-term on-the-job training to postsecondary education to advanced degrees. These occupations are spread across different sectors but are also concentrated in the region's major industries. For example, Nursing Assistants, Personal Care Aides, Teachers, Mechanics and Repair workers, and Heavy and Tractor Trailer Truck Drivers are among the top occupations in demand based on the consistent need for workers in these fields. Many of the jobs are concentrated in Manufacturing, Healthcare, Transportation, and other related industries (Table 12).

Table 12. Southwest Minnesota Occupations in Demand (with Median Annual Wages), 2022

High School or Less	Vocational Training	Associate Degree	Bachelor's Degree or Higher
Home Health & Personal Care Aides (\$32,800/yr)	Nursing Assistants (\$38,146/yr)	Registered Nurses (\$80,694/yr)	Substitute Teachers, Short-Term (\$46,668/yr)
Retail Salespersons (\$30,660/yr)	Licensed Practical & Vocational Nurses (\$52,242/yr)	Police & Sheriff's Patrol Officers (\$66,050/yr)	General & Operations Managers (\$78,383/yr)
Heavy & Tractor-Trailer Truck Drivers (\$51,299/yr)	Automotive Service Technicians & Mechanics (\$49,362/yr)	Dental Hygienists (\$82,983/yr)	Elementary School Teachers (\$63,391/yr)
Cashiers (\$29,092/yr)	Dental Assistants (\$54,422/yr)	Clinical Laboratory Technologists & Technicians (\$61,801/yr)	Secondary School Teachers (\$64,067/yr)
Fast Food & Counter Workers (\$29,393/yr)	Machinists (\$49,288/yr)	Industrial Engineering Technologists & Technicians (\$49,646/yr)	Accountants & Auditors (\$66,142/yr)
Waiters & Waitresses (\$24,271/yr)	Electricians (\$63,396/yr)	Radiologic Technologists & Technicians (\$66,703/yr)	Preschool Teachers (\$35,451/yr)
Laborers & Freight, Stock, & Material Movers, Hand (\$39,654/yr)	Computer User Support Specialists (\$57,870/yr)	Computer Network Support Specialists (\$72,682/yr)	Medical & Health Services Managers (\$95,320/yr)
Office Clerks, General (\$41,160/yr)	Medical Assistants (\$46,233/yr)	Electrical & Electronic Engineering Technologists (\$66,192/yr)	Industrial Production Managers (\$99,559/yr)
Maintenance & Repair Workers (\$49,219/yr)	Industrial Machinery Mechanics (\$59,803/yr)	Civil Engineering Technologists & Technicians (\$71,840/yr)	Lawyers (\$103,321/yr)
Teaching Assistants, exc. Postsecondary (\$36,756/yr)	Farm Equipment Mechanics & Service Technicians (\$51,684/yr)	Environmental Science & Protection Technicians (\$39,218/yr)	Personal Financial Advisors (\$78,180/yr)

Source: DEED [Occupations in Demand](#)

ECONOMY

INDUSTRY EMPLOYMENT

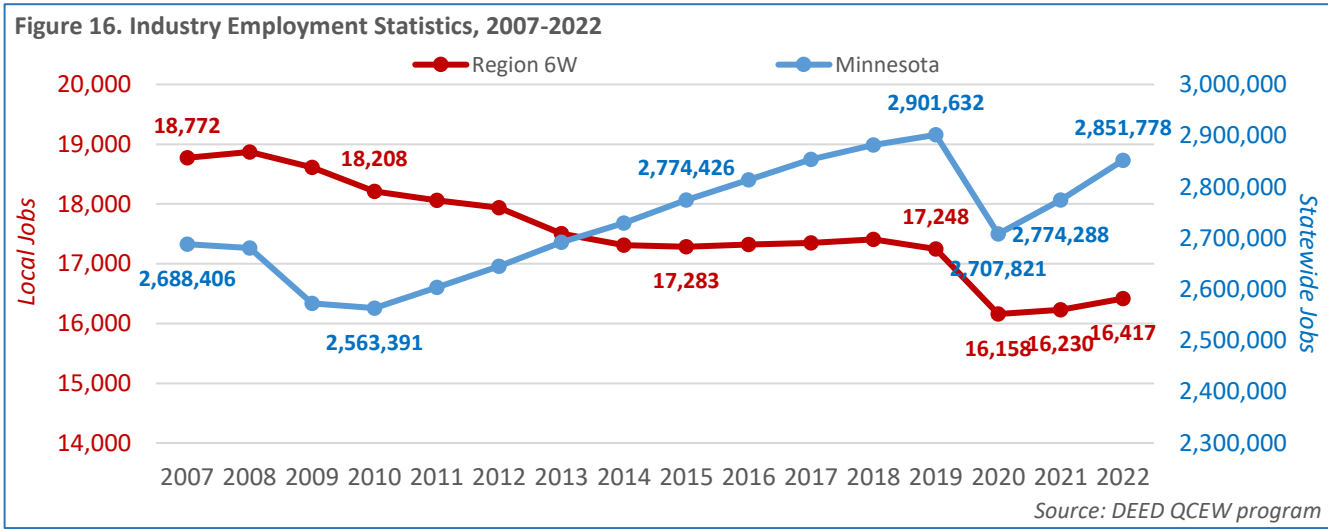
According to DEED's [Quarterly Census of Employment & Wages \(QCEW\) program](#), Region 6W was home to an average of 1,604 business establishments providing 16,417 covered jobs through 2022, with a total payroll of just over \$797 million. That was about 0.6% of total employment in the state of Minnesota, making it the smallest of the 13 EDRs in the state. Average annual wages were \$48,560 in the region, which was about \$21,000 lower than the state's average annual wage, and the second lowest of the 13 EDRs.

Chippewa County is the largest employment center in the region, with 5,273 jobs at 424 firms; followed by Yellow Medicine County with 3,710 jobs at 375 firms and Swift County with 3,606 jobs at 352 firms. Big Stone and Lac qui Parle are among the smallest economies in the state. The region suffered job losses like other areas of the state and country in 2020 from the pandemic-related two month recession, but it has slowly added some jobs back since 2020. The past year saw nominal employment growth, just starting to provide a meaningful offset to the more than 1,000 jobs that the region lost in 2020 (Table 13).

Geography	Number of Firms	Number of Jobs	Total Payroll	Average Annual Wage	2021-2022		2019-2022	
					Change in Jobs	Percent Change	Change in Jobs	Percent Change
Region 6W	1,604	16,417	\$797,208,447	\$48,560	+187	+1.2%	-831	-4.8%
Big Stone Co.	213	1,663	\$80,811,551	\$48,594	-1	-0.1%	-31	-1.8%
Chippewa Co.	424	5,273	\$260,735,303	\$49,447	-65	-1.2%	-467	-8.1%
Lac qui Parle Co.	240	2,164	\$94,750,584	\$43,785	+70	+3.3%	-55	-2.5%
Swift Co.	352	3,606	\$195,971,402	\$54,346	+178	+5.2%	+57	+1.6%
Yellow Medicine	375	3,710	\$164,939,607	\$44,458	+5	+0.1%	-336	-8.3%
State of Minnesota	199,603	2,851,778	\$198,839,399	\$69,725	+77,490	+2.8%	-49,854	-1.7%

Source: DEED Quarterly Census of Employment & Wages (QCEW).

Longer term, Region 6W has seen employment declines over the past 10 years as well, ending 2022 with 1,520 fewer jobs than it had in 2012. The region entered the Great Recession later than the state, still experiencing job growth through 2008, before suffering notable declines in 2009 and 2010. Since then, Region 6W has not seen the same recovery experienced in the state. Furthermore, losses from the pandemic recession in 2020 affected the region similarly to the state, and the region’s rebound has been slower (see Figure 16).



With 3,321 jobs at 143 firms, Health Care & Social Assistance is the largest employing industry in Region 6W, accounting for more than one in every five jobs in the region. The region saw a decrease in Health Care jobs since 2019, and also a decline over the past year, reflecting hiring difficulties in sectors like Nursing & Residential Care Facilities and Hospitals. Manufacturing is the next largest employing industry in Region 6W, accounting for a growing share (13.1%) of jobs in the region. The largest sectors include Machinery Manufacturing and Food Manufacturing, which both have over 450 jobs. Overall, Manufacturing in Region 6W has held steady since 2019 after managing to gain jobs over the past year. At \$60,706 in 2022, average annual wages were \$12,000 higher in Manufacturing than the total of all industries.

The region has a higher concentration of employment in Educational Services, the third largest industry with 1,697 jobs at 31 institutions, primarily at elementary & secondary schools as well as junior colleges. Retail Trade is the fourth largest industry, with 1,559 jobs at 181 establishments. All but two industries, Transportation & Warehousing and Management of Companies, had fewer jobs in 2022 compared to 2019. This is similar to statewide trends, but rebounding gains in 2021 were more muted in the region, and only 11 of the 20 industry sectors gained jobs in 2021 (see Table 14).

NAICS Industry Title	2022 Annual Data			Avg. Annual Wage	2021-2022		2019-2022	
	Number of Firms	Number of Jobs	Total Payroll (\$1,000s)		Change in Jobs	Percent Change	Change in Jobs	Percent Change
Total, All Industries	1,604	16,417	\$797,208	\$48,560	+187	+1.2%	-831	-4.8%
Agriculture, Forestry, Fish & Hunt	126	442	\$21,978	\$49,725	+6	+1.4%	-12	-2.6%
Mining	6	19	\$1,257	\$66,157	-8	-29.6%	-13	-40.6%
Construction	198	918	\$66,371	\$72,300	+47	+5.4%	-7	-0.8%
Manufacturing	76	2,149	\$130,456	\$60,706	+123	+6.1%	-4	-0.2%
Utilities	11	128	\$14,075	\$109,965	-3	-2.3%	-30	-19.0%
Wholesale Trade	88	1,121	\$88,000	\$78,501	+91	+8.8%	-19	-1.7%
Retail Trade	181	1,559	\$42,197	\$27,067	+16	+1.0%	-78	-4.8%
Transportation & Warehousing	111	604	\$28,505	\$47,195	+32	+5.6%	+8	+1.3%
Information	25	156	\$6,432	\$41,233	-4	-2.5%	-26	-14.3%
Finance & Insurance	97	524	\$33,524	\$63,977	0	0.0%	-24	-4.4%
Real Estate & Rental & Leasing	29	208	\$6,489	\$31,195	+23	+12.4%	+6	+3.0%
Professional & Technical Services	64	242	\$10,226	\$42,256	-12	-4.7%	-11	-4.3%
Management of Companies	6	70	\$5,830	\$83,288	-5	-6.7%	0	0.0%
Admin. Support & Waste Mgmt. Svcs.	41	203	\$7,598	\$37,426	-2	-1.0%	-11	-5.1%
Educational Services	31	1,697	\$73,271	\$43,177	+48	+2.9%	-62	-3.5%
Health Care & Social Assistance	143	3,321	\$159,029	\$47,886	-134	-3.9%	-306	-8.4%
Arts, Entertainment, & Recreation	32	406	\$14,987	\$36,914	+6	+1.5%	-77	-15.9%
Accommodation & Food Services	105	903	\$13,643	\$15,108	+11	+1.2%	-90	-9.1%
Other Services	146	508	\$14,784	\$29,102	-63	-11.0%	-49	-8.8%
Public Administration	91	1,235	\$58,557	\$47,415	+14	+1.1%	-26	-2.1%

Source: DEED Quarterly Census of Employment & Wages (QCEW)

INDUSTRY EMPLOYMENT

According to DEED's Quarterly Employment Demographics (QED) program, the workforce in the region was aging over the past 10 years. In 2022, 29% of workers in the region were 55 years or older, compared to 22% statewide and 24% in the region one decade earlier. In contrast, the percentage of teenaged workers was falling regionally, while they increased statewide. However, wages were going up fastest for younger workers, and they also saw modest gains in the number of hours worked (Table 15).

As noted above, wages were climbing across the board for all workers due to rising demand and a tight labor market. While wages were still lowest for the youngest and oldest workers who tend to fill lower-skilled, less-than-full-time jobs in industries like Retail Trade and Accommodation & Food Services, these two age groups enjoyed faster wage growth compared to 25-44 years olds from 2012 to 2022. Wages were highest for workers between 45 and 54 years of age. Women worked 75% of the median hours worked by men, contributing to higher wages earned by men, though the gap was narrowing over time.

Region 6W	Percentage of Workers		Percent of Workers, Minnesota		Median Hourly Wage		Median Hours Worked (Per Qtr.)	
	2022	2012	2022	2012	2022	2012	2022	2012
Total, all ages	100.0%	100.0%	100.0%	100.0%	\$20.83	\$14.07	411	412
19 years & under	7.6%	8.6%	6.6%	6.3%	\$12.89	\$7.86	113	107
20 to 24 years	7.9%	9.4%	9.2%	11.3%	\$18.39	\$11.01	322	286
25 to 44 years	38.5%	34.7%	43.6%	42.3%	\$23.23	\$15.54	465	473
45 to 54 years	16.9%	22.4%	18.4%	21.9%	\$25.21	\$16.20	483	480
55 to 64 years	19.8%	18.2%	16.7%	14.7%	\$22.63	\$16.11	477	474
65 years & over	9.3%	6.6%	5.4%	3.5%	\$18.63	\$12.32	209	197
Male	47.6%	48.3%	49.1%	49.1%	\$22.98	\$16.01	481	480
Female	52.4%	51.7%	50.9%	50.9%	\$19.94	\$12.42	361	344

Source: DEED Quarterly Employment Demographics

EMPLOYMENT DIVERSITY

Black, Indigenous, and People of Color (BIPOC) account for 13.9% of the total population in Southwest Minnesota and hold roughly the same share of jobs, compared to the state overall where they amount to 22.5% of the population but only hold 15.2% of jobs. According to data from the Quarterly Workforce Indicators program, people of color held 23,323 jobs in the region, compared to 146,486 jobs held by white workers.

The number of jobs held by people of color has more than doubled since 2000, up from 6% of jobs (see Figure 17). People of color have filled an additional 13,150 jobs since 2000, compared to a decline of 14,281 jobs held by white workers. Hispanic or Latino workers hold the largest number of jobs after white workers with 13,342 jobs in 2021, over half of all BIPOC jobs. The next largest number of jobs held by a BIPOC group was Black or African Americans, holding 4,124 jobs in 2021. The number of jobs held by this group increased by 2,820 since 2000, amounting to a 216% increase. Only Native Hawaiian or Other Pacific Islander employment grew faster (see Figure 18).

The Manufacturing, Administrative Support, Agriculture, and Accommodation & Food Services sectors have the highest share of non-white employment at 29%, 22%, 21%, and 19% respectively. The largest numbers of non-White workers are employed by Manufacturing (9,135 jobs), Healthcare & Social Assistance (3,572 jobs), Retail Trade, and Accommodation & Food Services (both 2,274 jobs) (see Figure 19).

Figure 17. Employment Share by Race & Ethnicity in Southwest, 2000-2021

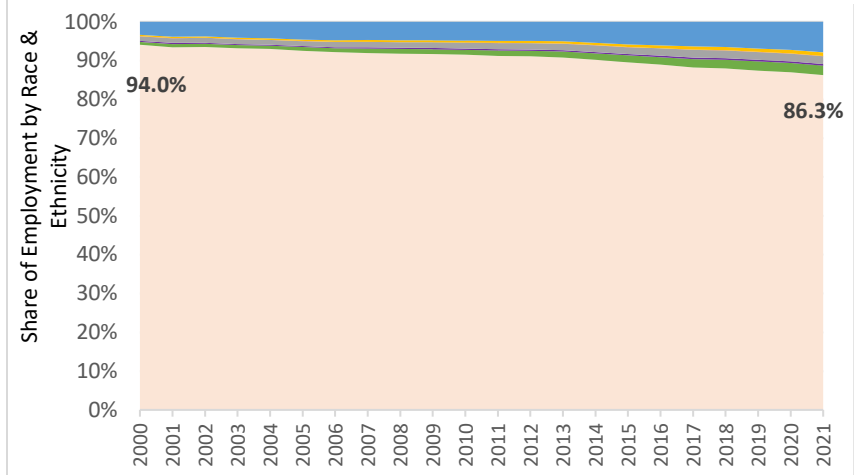


Figure 18. People of Color Employment in Southwest Minnesota, 2000-2021

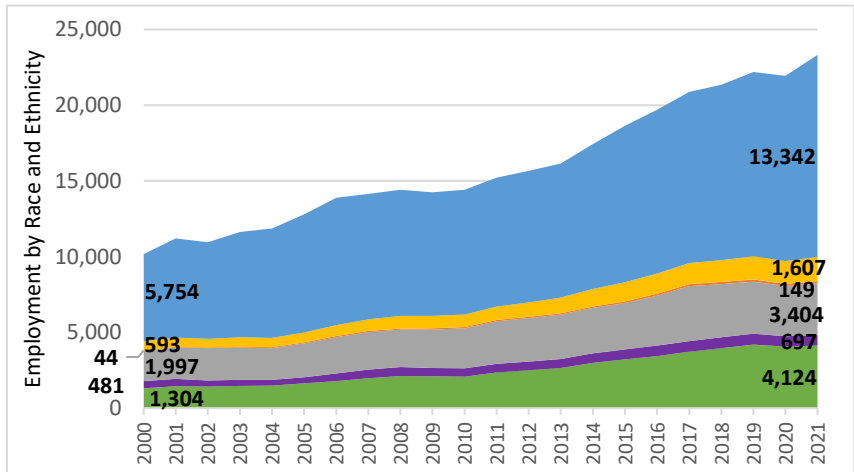
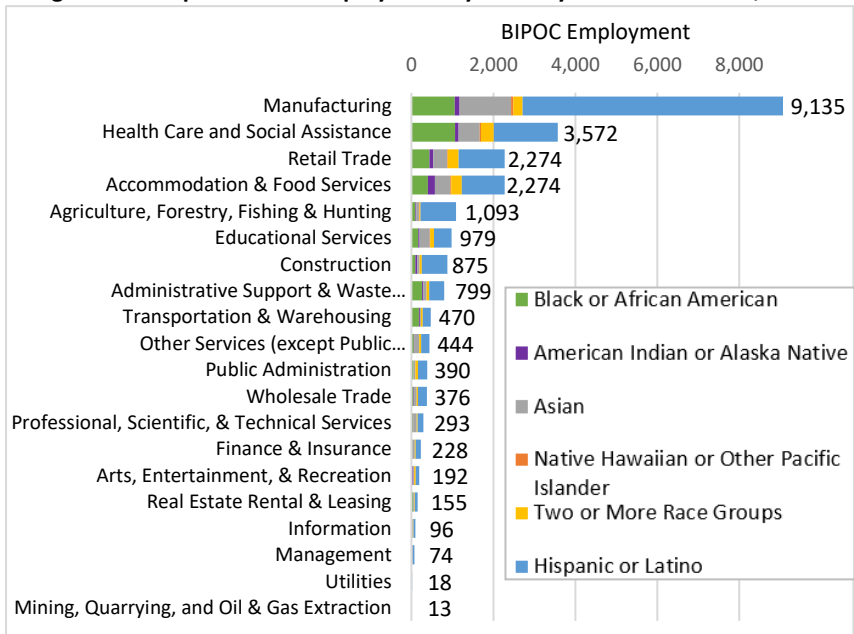


Figure 19. People of Color Employment by Industry in SW Minnesota, 2021



INDUSTRY PROJECTIONS

As noted above, Southwest Minnesota is projected to grow 3.9% from 2020 to 2030, a gain of 7,692 new jobs. After being hit hardest, the Arts, Entertainment & Recreation, Accommodation & Food Services, and Other Services industries are expected to grow the fastest as the pandemic employment recovery continues. Several industries still need to regain jobs before they start to see new growth. Health Care & Social Assistance is projected to add the most new jobs over the next decade and in doing so, will again surpass Manufacturing as the region's largest industry. Real Estate & Rental & Leasing, Information, and Retail Trade are the only industries projected to lose jobs in the region over the next decade (Table 16).

Industry	Estimated Employment 2020	Projected Employment 2030	Percent Change 2020-2030	Numeric Change 2020-2030
Total, All Industries	195,812	203,504	+3.9%	+7,692
Health Care & Social Assistance	29,352	32,081	+9.3%	+2,729
Accommodation & Food Services	10,089	12,268	+21.6%	+2,179
Educational Services	15,564	16,274	+4.6%	+710
Other Services	6,756	7,462	+10.4%	+706
Manufacturing	30,107	30,719	+2.0%	+612
Construction	7,573	8,082	+6.7%	+509
Arts, Entertainment & Recreation	1,655	2,114	+27.7%	+459
Transportation & Warehousing	7,385	7,817	+5.8%	+432
Public Administration	13,193	13,517	+2.5%	+324
Professional & Technical Services	3,788	4,006	+5.8%	+218
Admin. Support & Waste Mgmt.	3,421	3,636	+6.3%	+215
Finance & Insurance	6,780	6,921	+2.1%	+141
Agriculture, Forestry, Fish & hunt	5,674	5,753	+1.4%	+79
Wholesale Trade	8,045	8,118	+0.9%	+73
Utilities	713	735	+3.1%	+22
Mining	257	273	+6.2%	+16
Management of Companies	1,495	1,506	+0.7%	+11
Real Estate & Rental & Leasing	1,318	1,311	-0.5%	-7
Information	2,152	2,001	-7.0%	-151
Retail Trade	18,569	17,653	-4.9%	-916

Source: DEED 2020-2030 Employment Outlook

NONEMPLOYER ESTABLISHMENTS

Region 6W was home to 3,280 self-employed businesses or “nonemployers” in 2019, which are defined by the U.S. Census Bureau as “businesses without paid employees that are subject to federal income tax, originating from tax return information of the Internal Revenue Service (IRS).” Like covered employment, Region 6W saw a decline in nonemployers over the past decade, though there were small increases in Big Stone and Lac qui Parle. In sum, these nonemployers generated sales receipts of over \$149 million in 2019 (Table 17).

	2019		2009-2019	
	Number of Firms	Receipts (\$1,000s)	Change in Firms	Percent Change
Region 6W	3,280	\$149,065	-161	-4.7%
Big Stone Co.	408	\$21,316	+32	+8.5%
Chippewa Co.	827	\$41,754	-123	-12.9%
Lac qui Parle Co.	592	\$29,607	+44	+8.0%
Swift Co.	633	\$23,984	-83	-11.6%
Yellow Medicine Co.	820	\$32,404	-31	-3.6%
Minnesota	418,080	\$20,377,253	+39,926	+10.6%

Source: U.S. Census, Nonemployer Statistics program

CENSUS OF AGRICULTURE

Like other parts of Greater Minnesota, agriculture is also a key industry in Region 6W, including 3,526 farms producing just under \$1.2 billion in the market value of products sold in 2017 according to the U.S. Department of Agriculture. Region 6W ranks 8th of the 13 EDRs in the state for farms, with four of the five counties ranking between 26th and 35th. Like the state, the number of farms in the region declined over the past 5 years (Table 18).

Upon request, this information can be made available in alternate formats for people with disabilities by contacting Luke Greiner at 320-223-6992 or at luke.greiner@state.mn.us.

	Number of Farms	Market Value of Products Sold	State Rank
Region 6W	3,526	\$1,185,918,000	8
Big Stone Co.	438	\$138,754,000	54
Chippewa Co.	623	\$256,699,000	32
Lac qui Parle Co.	853	\$249,877,000	35
Swift Co.	760	\$284,161,000	26
Yellow Medicine Co.	852	\$256,427,000	33
Minnesota	68,822	\$18,395,390,000	

Source: 2017 Census of Agriculture